## <u>ABSTRACT</u>

An alpha image encoding and decoding scheme is disclosed. In the encoding an alpha image, is decomposed into image blocks (600) comprising multiple image element (610). The blocks (600) are compressed into block representations (700). A block representation (700) comprises at least a color codeword (710), an alpha codeword (720), an alpha modifying codeword (730) and a sequence (740) of alpha modifier indices. The color (710) and alpha (720) codeword (710) are representations of the colors and alpha value of the image elements (610) of the block (600), respectively. The alpha modifying codeword (730) is a representation of a set of multiple alpha modifiers for modifying an alpha value represented by the alpha codeword (720). The index sequence (740) includes an alpha index for each image element (610) in the block (600), where an alpha index identifies one of alpha modifiers in the alpha modifier set.